

Boston Capital

August 30, 2007

Mr. Michael DeVos
Executive Director
Michigan State Housing Development Authority
735 E. Michigan Avenue
P.O. Box 30044
Lansing, MI 48909

RE: Draft 2008 QAP

Dear Michael:

We have reviewed the proposed draft QAP for 2008 and have serious concerns. The policies set forth in this QAP for housing production represent an unfunded mandate and are so far from the intent of Section 42 to provide workforce housing that we simply will not be able to invest in the LIHTC in Michigan.

This is very disappointing as we have for many years provided tax credit financing in Michigan, my home state. We have invested in over 7,400 affordable housing units in 64 different communities in Michigan, making Boston Capital one of the largest investors in the state.

This QAP does not allow feasible underwriting for the long term success of tax credit properties, and we are not going to be able to find investors for the property types this QAP outlines, even though I know you have encouraged Boston Capital to do more in Michigan, specifically Southeast Michigan.

The public/private structure which Section 42 creates requires that all parties participate in the process; in fact, that is what makes the LIHTC so successful. It is our hope that you will rescind this proposal and bring all parties back to the table for meaningful input.

Respectfully Submitted,



Robert C. Moss
Senior Vice President
Boston Capital

cc: Jack Manning, CEO & President, Boston Capital
Scott Larry, President, Michigan Housing Council